

PERS Expenditure Reduction Certification Approval Process

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Senate Bill 6157 allows the Department of Retirement Systems (DRS) to include in the calculation of the average final compensation any compensation forgone by a PERS member during the 2009-2011 fiscal biennium as a result of reduced work hours, voluntary leave without pay, or temporary furlough, if the **reduced compensation is an integral part of the employer's expenditure reduction efforts**. This must be certified by the employer.

Absences without pay experienced by King County employees may qualify under the terms of Senate Bill 6157 provided that:

- They are taken after July 1, 2009;
- They are part of a formalized hours reduction plan instituted by a department for the balance of calendar year 2009; or
- They are part of a pre-approved time without pay period which is an integral part of King County's expenditure reduction efforts.

If approved for certification, Benefit, Payroll and Retirement Operations (BPROS) will provide that information to DRS in order that DRS includes the forgone compensation in its calculation of the average final compensation for retirement benefits from July 1, 2009 through June 30, 2011.

Use the attached form when making a request for certification that a specific reduction in hours or leave without pay request is an integral part of the department's expenditure reduction efforts. The form should be completed in full by the requesting department director or designee in consultation with departmental human resources as necessary. The form must be submitted and must receive full approval before being submitted to BPROS.

Any approval is applicable for the specific employee identified by the department. Approval is not a blanket approval for a work unit, unless specifically provided for on the form. Approval will not confer upon any employee any new privilege or right of appeal; denial will not confer upon any employee a right of appeal.

In the event that any provision of this Human Resources Bulletin conflicts with an applicable provision of a collective bargaining agreement or binding past practices thereunder, the latter shall prevail.

QUESTIONS/COMMENTS

Refer all questions or comments via e-mail to the Benefit Payroll and Retirement Operations or the Human Resources Division Operations.



PERS Expenditure
 Reduction 10-28-09.